

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Conlin Strawberry Water Company, Inc., a California corporation (U-177-W), for Authority to Sell and Del Oro Water Co., Inc. (U-61-W), for Authority to Buy the Conlin Strawberry Water Company Water System in Tuolumne County.

Application 05-12-001
(Filed December 2, 2005)

Investigation on the Commission's Own Motion into the Operations and Practices of the Conlin-Strawberry Water Co. Inc. (U-177-W), and its Owner/Operator, Danny T. Conlin; Notice of Opportunity for Hearing; and Order to Show Cause Why the Commission Should Not Petition the Superior Court for a Receiver to Assume Possession and Operation of the Conlin-Strawberry Water Co. Inc. pursuant to the California Public Utilities Code Section 855.

Investigation 03-10-038
(Filed October 16, 2003)

**ADMINISTRATIVE LAW JUDGE'S RULING FOLLOWING
PREHEARING CONFERENCE AND LAW AND MOTION HEARING**

On January 23, 2006, a second prehearing conference was held in Application (A.) 05-12-001 and a second law and motion hearing was held in Investigation (I.) 03-10-038. Thomas J. MacBride appeared for Conlin-Strawberry Water Company, Inc. (Conlin-Strawberry). Robert Fortino appeared for the Del Oro Water Company, Inc. (Del Oro). Cleveland Lee appeared for the Division of Ratepayer Advocates (DRA; formerly Office of Ratepayer Advocates). Jean Gaskill appeared for the Strawberry Property Owners' Association (SPOA).

Timothy Fisher appeared for the Pinecrest Permittees Association, a nonprofit association located in Pinecrest, California, approximately one mile from Strawberry. Fisher asked that his association be allowed to appear as an interested party and be added to the service list. His request was granted. Fisher's request to delay proceedings, however, was denied.

Pinecrest Permittees Association shall comply with all previously issued procedural and scheduling orders.

The parties discussed the status of mediation that occurred on Friday, January 20. Gaskill will convene a meeting of the board of directors of the SPOA to ascertain whether they support the proposed settlement that was reached during mediation. If the SPOA board of directors does support the proposed settlement, Del Oro is willing to assume interim management of the water system pending Commission consideration of the proposed settlement, and DRA and Conlin-Strawberry will proceed to file a motion for approval of the proposed settlement.

A prehearing conference and law and motion hearing will be held, by telephone conference call, at 1:30 p.m. on Monday, January 30, 2006, to receive a report from Gaskill on his board's action and to otherwise discuss the procedure and schedule for these cases. The conference call will not be recorded or transcribed, but an ALJ Ruling or Scoping Memo will be issued following the call. Call-in information is as follows: 1-203-310-3007 (passcode: 771069).

IT IS SO RULED.

Dated January 25, 2006, at San Francisco, California.

/s/ JOHN E. THORSON

John E. Thorson
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Following Prehearing Conference and Law and Motion Hearing on all parties of record in this proceeding or their attorneys of record.

Dated January 25, 2006, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.